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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/001,921	11/15/2001	Murray L. Finebaum	MAX-002	8945
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PROSKAUER ROSE LLP ONE INTERNATIONAL PLACE BOSTON, MA 02110			EXAMINER DASS, HARISH T	
			ART UNIT 3695	PAPER NUMBER
			NOTIFICATION DATE 08/19/2011	DELIVERY MODE ELECTRONIC

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

DocketingPatentBoston@proskauer.com
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Office Action Summary

Application No.

10/001,921

Applicant(s)

FINEBAUM ET AL

Examiner

HARISH T. DASS

Art Unit

3695

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 6/9/2011.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 40-42, 55, 56, 58, 59, 61-65, 67-69 and 71-75 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 40-42, 55, 56, 58-59, 61-65, 67-69, 71-75 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftperson's Patent Drawing Review (PTO-946)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date: _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

This office action is in response to Applicant's submission filed on 06/09/2011 has been entered.

Continued Examination Under 37 CFR 1.114

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 6/9/2011 has been entered.

Priority: 11/17/2000

Status of Office Action: Final

Status of Claims:

Claims 1-39, 43-54, 57, 60, 66, 70 are cancelled.

Claims 40-42, 55, 56, 58-59, 61-65, 67-69, 71-75 are pending.

Examiner's Note: During the interview, the Examiner was assured by the attorney that the claims would be drawn to one embodiment (**one invention**); however, the attorney has included different embodiments for different independent claims. All independent

claims are drawn to different embodiment (see the specification **different scopes**), in case of allowance, the allowable subject matter will be restricted to only one of the embodiment (**restricted to one invention**), even if all of the claims are examined (see paper No. 20080924).

Claim Rejections - 35 USC § 112: *This rejection is removed based on the explanation by the Applicant's (See Applicant's remarks 06/09/2011 pages 14-16), where state this limitation is well known in the art, therefore it is admitted prior art (APA).*

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 40-42, 55-56, are rejected under 35 U.S.C. 103(a) as being unpatentable over McCausland et al. (hereinafter McCausland - US 5,243,331) in view of Lawrence (US 5,915,209), Broka et al. (Broka - US 5,809,483), Lupien et al. (Lupien - US 5,101,353), Admitted Prior Art (APA) and Himmelsein (US 7,080,050).

Re. Claim 40, McCausland discloses order entry (bid or offer) and execution for single-order or multiple order and

receiving by the electronic trading system from a first trading computer a first order request (an order or new bid/offer) from a first trader (a trader)

receiving by the electronic trading system from a second trading computer a second order request (an order or new bid/offer) from a second trader [col. 15 lines 39-65; col. 22 lines 40-63 - first order and second order are inherent in McCausland, otherwise the trade cannot take place].

presenting by the electronic trading system to **at least one** of the first trader and the second trader at least one of a first list of orders and second list of orders including a plurality of data fields corresponding to at least one of the first order request and the second order requests [Figures 6B-8 (Fields: #, issue, Bid, Offer, Yield) ; col. 19 line 48 through col. 20 line 14];

receiving by the electronic trading system from at least one of the first and second trading computers at least one of the first and second completed orders [McCausland - Figures 5-7; col. 15 lines 38-45; col. 17 line 25 through col. 18 line 53; col. 23 lines 59-60];

displaying by the electronic trading system the received orders for broadcast [McCausland - col. 2 line 56 through col. 3 line 16; col. 13 lines 8-21 - It is obvious that for anonymously trading the orders have to be authorized to be displayed to the other party];

matching by the electronic trading system the received orders

using a price/time priority and with at least one of predetermined order conditions

comprising:

a "Fill or Kill" order condition by immediately filling the order in its entirety or by canceling the order when the order is not immediately filled;

an "All or None" order condition by filling the entire quantity of the order;

a "Minimum Fill" order condition by initially filling a first quantity and wherein the remaining balance has no conditions unless specified;

a "Lots Of" order condition by setting a condition of minimum execution in lots;

a "Show Only" order condition by managing the display of quantity;

a "Good Until a time of day" order condition by setting the time of order expiration in terms of a time of day;

a "Good For a period of time" order condition by setting the time of order expiration in terms of hours and minutes [**implicit - see the fact is shown by virtue of the disclosure col. 2 lines 61-62 "all orders in the market are live until executed or canceled" or Examiner's interpretation "All or None"**, col. 9 lines 40-56 "a unique transaction code" ... "classes of message requests, also called transactions" ; col. 10 lines 1-12; col. 22 lines 40-45 (live until canceled = Examiner's interpretation fill ALL order or cancel NONE). It is obvious to one practitioner in the field of securities that the stocks or securities orders are preconditioned by price, size, time

limit to complete or cancel, otherwise the order will stay on the books for ever; and

a "Quantity" order condition by including the remaining quantity
[McCausland - col. 2 lines 50-65; col. 22 line 40 through col. 23 line 30]; and

executing automatically by the electronic trading system trading of
the received trading orders upon received selection from one of the plurality of traders
of a particular trading order comprising a bid or offer when a plurality of the trading
orders match [col. 1 lines 30-35; col. 22 line 40 through col. 24 line 5].

*McCausland does not explicitly disclose order type ("Fill or Kill",
"Minimum Fill", "Lots Of", "Show Only", "Good Until a time of day", or "Good For a
period of time") **which are part of Markush group (MPEP 803.02 - alternatives), see
above;***

*enabling by the electronic trading system at least one of the first
trader and second trader to complete at least one of a first order and a second order on
one side of prospective trade for one of the plurality of bonds instrument by selecting an
order from the at least one of the first list and the second list of orders, wherein the
selected order includes at least one of a first amount and second amount and the
second amount is displayed to users of the system;*

*receiving by the electronic trading system authorization from at
least one of the first and second traders to broadcast at least part of the received orders
to plurality of traders;*

transmitting by the electronic trading system the received orders authorized for broadcast to each of the plurality of traders without disclosing an identity of each trader associated with each order being broadcast; and

matching the completed trading orders using a price/time priority in combination with at least one of predetermined order conditions when presented; and

presenting by the electronic trading system a match of the received trading orders when the predetermined order conditions associated with the match result in a locked or cross market; and matching plurality of orders.

However, one skill in the art (practitioners such as brokers, market makers, dealer, etc) knows that in order to buy or sell securities (such as: stocks, bonds, etc,) there have to be at least two counter party to do the trade (a seller and a buyer or a party/counterparty) with and in order for the dealer to trade with counterparty, he/she should have received from broker/customer and buy-order (bid side) or a sell-order (ask or offer side) to trade and then the buy-order or sell-order is to be distributed or be displayed/shown to the other dealers/traders who may be interested to trade and after a negotiation/acceptance the trade has to be executed and the trade is completed (APA).

Further, the market orders such as "Fill or Kill", "Minimum Fill", "Lots Of", "Show Only", "Good Until a time of day", "Good For a period of time", contingent orders, or stop limit orders are well-known in trading securities where the market order type are stated by the customer which discloses how does he/she wishes to buy or sell securities and what price.

Broka discloses enabling by the trading platform at least one of the first and second traders to complete on one side of a prospective trade for one of the plurality of bond instruments at least one of a first and second orders by selecting an order from the at least one of the first and second lists of orders specifying at least one of a first and second amount, wherein the second amount is disclosed to other traders [Abstract; Figures 12 (one side of trade order), 13-14, 20 (list of trades and trade sides), 18 (enter quote - price and size or amount), 26-28 (group, ticker), 30 (selection window), 50-51 (authorized issue) and associated descriptions; Col. 1 lines 47 through col. 2 line 10, col. 4 lines 45-65 (bond trading, bid, offer, trade completion, anonymity), col. 5 lines 53-57 (group of bonds), col. 11 lines 25 through col. 12 line 37], It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosures of McCausland and Broka and provide a electronic bond trading platform simple-to-use to post bonds quotes for dissemination to others and display the trades when they are executed.

Lawrence discloses authorizing broadcast of at least part of the submitted orders to plurality of traders; transmitting the submitted orders authorized for broadcast using the computer to each of the plurality of traders without disclosing an identity of each trader associated with each order being broadcast [Lawrence - Abstract; col. 3 line 40 through col. 4 line 10; col. 5 lines 30-32; col. 8 lines 3-8; col. 16 lines 22-30]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosure of McCausland and Broka and include authorizing broadcast of at least part of the submitted orders to plurality of traders; transmitting the

submitted orders authorized for broadcast using the computer to each of the plurality of traders without disclosing an identity of each trader associated with each order being broadcast, as disclosed by Lawrence, to enable the traders to distribute the list of bids/offer to authorized counterparties for their evaluation and accepting/rejecting the deal to consummate the trade.

Himmelstein **discloses** preventing by the electronic trading system a match of the received trading orders when the predetermined order conditions associated with the match result in a locked or cross market; and matching plurality of orders [Abstract; Figures 1, 7-14; col. 1 line 30 through col. 2 line 6, col. 3 lines 3-29, col. 3 lines 63~, col. 9 lines 10-40 ("The order matching routine regularly polls pending orders ... execute the transaction if matching orders are found.", col. 19 lines 19-45 "The order is then marked as inactive (locked) and a record is written to the match table to record the matching transaction", - col. 21 lines 6-32]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosure of McCausland, Broka, Lawrence and Himmelstein and provide an electronic trading system to poll the pending order list of bids and offers and find suitable matched counter orders with predefined rules once the matched found the orders are locked for the client to review, accept or cancel and does not let another client to send order until the first client makes a decision.

Lupien discloses matching the completed trading orders using a price/time priority in combination with at least one of predetermined order conditions when presented; presenting a match responsive to said predetermined order conditions;

and matching plurality of orders [Figures 2-6; col. 1 lines 5-18, line 62 through col. 2 line 13, col. 7 line 47 through col. 8 line 51, col. 10 lines 24-64, col. 12 lines 53 through col. 13 line 42]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosure of McCausland, Broka, Lawrence, Himmelstein and Lupien to provide an automated securities trading and portfolio management system to generate liquidity and monitor the security trades, price, size and order type and match and execute the conditional orders on a price-time priority basis.

Re. Claim 41, McCausland discloses wherein the plurality of different types of bond instruments include one or more of the following: high-yield bonds, corporate bonds, emerging market bonds, convertible bonds, derivative instruments comprised of bonds, and municipal bonds [col. 2 lines 50-65; col. 3 lines 7-20; col. 4 lines 16-22; see "government securities ... notes"; col. 22 lines 40 to col. 23 lines 10 "multi-order trader and automatic bid or offer"].

Re. Claim 42, McCausland discloses, reporting by the electronic trading system every executed trade to all users in a scrolling ticker continually updated in each user's graphical user interface (window), there being one scrolling ticker for each bond instrument type [see Figures 1-2 and associated descriptions].

Re. Claims 55-56, McCausland discloses creating by the electronic trading system an audit trail for each order that includes creating an immutable record of every order modification [col. 13 lines 59-67; col. 21 lines 45-50], and wherein creating an immutable record includes tracing each order that was changed, recording when each order was changed, and recording the value of the order before and after the change [col. 13 lines 59-67; col. 21 lines 45-50].

Claims 61, 71 are rejected under 35 U.S.C. 103(a) as being unpatentable over McCausland et al. (hereinafter McCausland - US 5,243,331), as applied to claims 40, 58 above in view of Lawrence (US 5,915,209), Lupien and Himmelstein.

Re. Claim 61, McCausland discloses presenting by the electronic trading system anonymously to a plurality of buyer dealers sell orders comprising different types of bond instruments offers for sale for different types of bond instruments; enabling the plurality of buyer dealers to anonymously submit buy orders and to buy at least one of the different types of bond instruments [col. 2 lines 50-65; col. 3 lines 7-20; col. 4 lines 16-22; see "government securities ... notes"; col. 22 lines 40 to col. 23 lines 10 "multi-order trader and automatic bid or offer"];

matching using a computer the buy orders and the sell orders for the one or more different types of bond instruments in a price and time priority basis in combination with at least one of predetermined order conditions comprising at least one of: a "Fill or Kill" order condition by immediately filling the order in its entirety or by

canceling the order when the order is not immediately filled; an "All or None" order condition by filling the entire quantity of the order; a "Minimum Fill" order condition by initially filling a first quantity and wherein the remaining balance has no conditions unless specified; a "Lots Of" order condition by setting a condition of minimum execution in lots; a "Show Only" order condition by managing the display of quantity; a "Good Until a time of day" order condition by setting the time of order expiration in terms of a time of day; a "Good For a period of time" order condition by setting the time of order expiration in terms of hours and minutes [see supra]; and

a "Quantity" order condition by including the remaining quantity [McCausland - col. 2 lines 50-65; col. 22 line 40 through col. 23 line 30]; and displaying all received trading orders forwarded from a controller for broadcast; submitting a completed trading order [McCausland - col. 23 lines 59-60].

McCausland *does not explicitly disclose* transmitting all trading orders using the computer wherein the buy orders and the sell orders are matched and authorized for broadcast to each of the plurality of buyer dealers and seller dealers that are matched without disclosing an identity of each of the buyer dealer and the seller dealer associated with each trading order being broadcast; enabling the plurality of buyer dealers to anonymously perform a query for different types of bond instruments; and reporting all the matched buy orders and sell orders; matching the completed trading orders using a price/time priority in combination with at least one of predetermined order conditions when presented; preventing by the electronic trading system a match of the

received trading orders when the predetermined order conditions associated with the match result in a locked or cross market; and matching plurality of orders.

However, one skill in the art (practitioners such as brokers, market makers, dealer, etc) knows that in order to buy or sell securities (such as: stocks, bonds, etc,) there have to be at least two counter party to do the trade (a seller and a buyer or a party/counterparty) with and in order for the dealer to trade with counterparty, he/she should have received from broker/customer and buy-order or a sell-order to trade and then the buy-order or sell-order is to be distributed or be displayed/shown to the other dealers/traders who may be interested to trade and after a negotiation/acceptance the trade has to be executed.

Further, the market orders such as "Fill or Kill", "Minimum Fill" , "Lots Of", "Show Only", "Good Until a time of day", "Good For a period of time", contingent orders, or stop limit orders are well-known in trading securities where the market order type are stated by the customer which discloses how does he/she wishes to buy or sell securities and what price.

Lawrence discloses transmitting all trading orders using the computer wherein the buy orders and the sell orders are matched and authorized for broadcast to each of the plurality of buyer dealers and seller dealers that are matched without disclosing an identity of each of the buyer dealer and the seller dealer associated with each trading order being broadcast [**Lawrence** US 5915209; Abstract; col. 3 line 40 through col. 4 line 10; col. 5 lines 30-32; col. 8 lines 3-8; col. 16 lines 22-30]]. It would have been obvious at the time the invention was made to a person having

ordinary skill in the art to combine the disclosure of McCausland and include authorizing broadcast of at least part of the submitted orders to plurality of traders; transmitting the submitted orders authorized for broadcast using the computer to each of the plurality of traders without disclosing an identity of each trader associated with each order being broadcast, as disclosed by Lawrence, to enable the traders to distribute the list of bids/offer to authorized counterparties for their evaluation and accepting/rejecting the deal to consummate the trade.

Himmelstein **discloses** enabling the plurality of buyer dealers to anonymously perform a query for different types of bond instruments and reporting all the matched buy orders and sell orders and preventing by the electronic trading system a match of the received trading orders when the predetermined order conditions associated with the match result in a locked or cross market [supra]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosure of McCausland and Lawrence, Himmelstein and include the above feature, as disclosed by Himmelstein, to generate list of different candidates based on their orders and to be forwarded for matching server's matching routine for determining when the two orders match and should be forwarded for execution.

Lupien discloses matching the completed trading orders using a price/time priority in combination with at least one of predetermined order conditions when presented; presenting a match responsive to said predetermined order conditions; and matching plurality of orders [Figures 2-6; col. 1 lines 5-18, line 62 through col. 2 line 13, col. 7 line 47 through col. 8 line 51, col. 10 lines 24-64, col. 12 lines 53 through col.

13 line 42]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosure of McCausland, Lawrence, Himmelstein and Lupien to provide an automated securities trading and portfolio management system to generate liquidity and monitor the security trades, price, size and order type and match and execute the conditional orders on a price-time priority basis.

Re. Claim 71, McCausland discloses presenting by the electronic trading system anonymously to a plurality of clients buy orders comprising different types of bond instruments offers for purchase for different types of bond instruments by a plurality of buyer dealers [col. 2 lines 50-65; col. 3 lines 7-20; col. 4 lines 16-22; see "government securities ... notes"; col. 22 lines 40 to col. 23 lines 10 "multi-order trader and automatic bid or offer"]; enabling the plurality of clients to anonymously submit sell orders and to sell at least one of the different types of bond instruments [McCausland - Figures 5-7; col. 17 line 25 through col. 18 line 53; col. 23 lines 59-60]; matching using a computer the buy orders and the sell orders for the one or more different types of bond instruments in a price and time priority basis in combination with at least one of predetermined order conditions comprising at least one of: a "Fill or Kill" order condition by immediately filling the order in its entirety or by canceling the order when the order is not immediately filled; an "All or None" order condition by filling the entire quantity of the order; a "Minimum Fill" order condition by initially filling a first quantity and wherein the remaining balance has no conditions unless specified; a "Lots Of" order condition by

setting a condition of minimum execution in lots; a "Show Only" order condition by managing the display of quantity; a "Good Until a time of day" order condition by setting the time of order expiration in terms of a time of day; a "Good For a period of time" order condition by setting the time of order expiration in terms of hours and minutes [**see above**]; and a "Quantity" order condition by including the remaining quantity [col. 2 lines 50-65; col. 22 line 40 through col. 23 line 30];

displaying all received trading orders forwarded from a controller
for broadcast

submitting a completed trading order; and reporting all the
matched buy orders and sell orders [col. 23 lines 59-60].

However, one skill in the art (practitioners such as brokers, market makers, dealer, etc) knows that in order to buy or sell securities (such as: stocks, bonds, etc,) there have to be at least two counter party to do the trade (a seller and a buyer or a party/counterparty) with and in order for the dealer to trade with counterparty, he/she should have received from broker/customer and buy-order (bid side) or a sell-order (ask or offer side) to trade and then the buy-order or sell-order is to be distributed or be displayed/shown to the other dealers/traders who may be interested to trade and after a negotiation/acceptance the trade has to be executed and the trade is completed.

Further, the market orders such as "Fill or Kill", "Minimum Fill", "Lots Of", "Show Only", "Good Until a time of day", "Good For a period of time", contingent orders, or stop limit orders are well-known in trading securities where the market order type are stated by the customer which discloses how does he/she wishes to buy or sell securities and

what price.

Lawrence discloses transmitting all trading orders using the computer wherein the buy orders and the sell orders are matched and authorized for broadcast to each of the plurality of clients and buyer dealers that are matched without disclosing an identity of each of the client and the buyer dealer associated with each trading order being broadcast [col. 3 line 40 through col. 4 line 10; col. 5 lines 30-32; col. 8 lines 3-8; col. 16 lines 22-30]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosure of McCausland and include authorizing broadcast of at least part of the submitted orders to plurality of traders; transmitting the submitted orders authorized for broadcast using the computer to each of the plurality of traders without disclosing an identity of each trader associated with each order being broadcast, as disclosed by Lawrence, to enable the traders to distribute the list of bids/offer to authorized counterparties for their evaluation and accepting/rejecting the deal to consummate the trade.

Himmelstein **discloses** enabling the plurality of clients to anonymously perform a query for different types of bond instruments; preventing by the electronic trading system a match of the received trading orders when the predetermined order conditions associated with the match result in a locked or cross market [supra]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosure of McCausland and Lawrence and include the above feature, as disclosed by Himmelstein, to generate list of different candidates based on their orders and CUSIP to be forwarded for matching

server's matching routine for determining when the two orders match and should be forwarded for execution.

Claims 58-59 are rejected under 35 U.S.C. 103(a) as being unpatentable over McCausland in view of Jain et al. (hereinafter Jain US 6,343,278), Himmelstein, APA and **Lupien**.

Re. Claim 58, McCausland discloses by the electronic trading system enabling a seller to anonymously submit a sell order for a bond instrument over a computer network to potential traders of bond instruments comprising at least one buyer; and enabling a buyer to anonymously submit a buy order for the bond instrument over a computer network [see entire document- particularly col. 1 line 47 to col. 2 line 30; col. 1 lines 35-65 also see "primary dealers ... each other anonymously; col. 2 lines 5-20 "match a previous offer ..."], and matching buy orders to sell orders using a price/time priority [col. 2 lines 50-65]; matching using a computer the buy orders and the sell orders using at least one of a price priority and time priority in combination with at least one of predetermined order conditions comprising at least one of: a "Fill or Kill" order condition by immediately filling the order in its entirety or by canceling the order when the order is not immediately filled; an "All or None" order condition by filling the entire quantity of the order; a "Minimum Fill" order condition by initially filling a first quantity and wherein the remaining balance has no conditions unless specified; a "Lots Of" order condition by setting a condition of minimum execution in lots; a "Show Only" order condition by

managing the display of quantity; a "Good Until a time of day" order condition by setting the time of order expiration in terms of a time of day; a "Good For a period of time" order condition by setting the time of order expiration in terms of hours and minutes **[see above]**; and a "Quantity" order condition by including the remaining quantity [McCausland - col. 2 lines 50-65; col. 22 line 40 through col. 23 line 30]; displaying all received trading orders forwarded from a controller for broadcast; submitting a completed trading order to a central controller under control of a seller or a buyer [McCausland - col. 23 lines 59-60 - send; trader is a user/buyer/seller too]; executing automatically a trading order upon selection by a seller or a buyer of a particular bid or offer being displayed [col. 1 lines 30-35; col. 22 line 40 through col. 24 line 5]; and

creating an audit trail for each order that includes creating an immutable record of every order modification [col. 13 lines 59-67; col. 21 lines 45-50]. McCausland *does not explicitly disclose* wherein the seller can control the amount of the order that is disclosed to the potential traders.

However, one skill in the art (practitioners such as brokers, market makers, dealer, etc) knows that in order to buy or sell securities (such as: stocks, bonds, etc,) there have to be at least two counter party to do the trade (a seller and a buyer or a party/counterparty) with and in order for the dealer to trade with counterparty, he/she should have received from broker/customer and buy-order or a sell-order to trade and then the buy-order or sell-order is to be distributed or be displayed/shown to the other

dealers/traders who may be interested to trade and after a negotiation/acceptance the trade has to be executed.

Further, the market orders such as "Fill or Kill", "Minimum Fill", "Lots Of", "Show Only", "Good Until a time of day", "Good For a period of time", contingent orders, or stop limit orders are well-known in trading securities where the market order type are stated by the customer which discloses how does he/she wishes to buy or sell securities and what price.

Jain discloses wherein the seller can control the amount of the order that is disclosed to the potential traders [Jain - Figure 1; col. 1 lines 12-38; col. 8 line 54 through col. 9 line 19; col. 11 lines 34-57 – see "amount actually available in the market may be only a fraction of what is shown on his display"]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosure of McCausland and include enabling a user to submit an order and control an amount of the order that is disclosed to other traders, as disclosed by Jain to control the price of security and avoid having a negative impact on the market price of the security.

Himmelstein discloses preventing by the electronic trading system a match of the received trading orders when the predetermined order conditions associated with the match result in a locked or cross market; and matching plurality of orders [supra]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosure of McCausland, Jain and Himmelstein and provide an electronic trading system to poll the pending order list

of bids and offers and find suitable matched counter orders with predefined rules once the matched orders are filled and trade is created the matched orders are executed otherwise, marked for valid to be send back to the broker to fix the order [Fig. 2].

Lupien discloses matching the completed trading orders using a price/time priority in combination with at least one of predetermined order conditions when presented; presenting a match responsive to said predetermined order conditions; and matching plurality of orders [Figures 2-6; col. 1 lines 5-18, line 62 through col. 2 line 13, col. 7 line 47 through col. 8 line 51, col. 10 lines 24-64, col. 12 lines 53 through col. 13 line 42]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosure of McCausland, Jain, Himmelstein and Lupien to provide an automated securities trading and portfolio management system to generate liquidity and monitor the security trades, price, size and order type and match and execute the conditional orders on a price-time priority basis.

Re. Claim 59, McCausland discloses wherein said controller forwards all trading orders authorized for broadcast to without disclosing an identity of each seller or buyer associated with each trading order being broadcast [McCausland - col. 23 lines 59-60 - without disclosing an identity, inherent in anonymous system].

Claims 62-65, 67-69, 72-75 are rejected under 35 U.S.C. 103(a) as being unpatentable over McCausland et al. (hereinafter McCausland - US 5,243,331), as

applied to claims 40, 58 above in view of Lawrence (US 5,915,209), Lupien and Himmelstein and Hughes et al. (hereinafter Hughes - US 7,231,363).

Re. Claims 62-65,67-69, 72-75 McCausland a match include at least one of a "Quantity" greater than \$100,000 order condition; a "Fill or Kill" and an "All or None" order condition combination; a "Fill or Kill" and a "Minimum Fill" order condition combination; a "Fill or Kill" and a "Show Only" and a "Lots Of" order condition combination; an "All or None" and a "Show Only" and a "Lots Of" order condition combination; a "Fill or Kill" and a "Lots Of" order condition combination; a "Fill or Kill" and a "Minimum Fill" and a "Lots Of" order condition combination; a "Fill or Kill" and a "Minimum Fill" and a "Lots Of" and a "Show Only" order condition combination; a "Fill or Kill" and a "Show Only" order condition combination; a "Fill or Kill" and a "Good Until a time of day" order condition combination; a "Fill or Kill" and a "Good For a period of time" order condition combination; an "All or None" and a "Minimum Fill" order condition combination; an "All or None" and a "Lots Of" order condition combination; an "All or None" and a "Minimum Fill" and a "Lots Of" order condition combination; an "All or None" and a "Minimum Fill" and a "Lots Of" and a "Show Only" order condition combination; an "All or None" and a "Show Only" order condition combination; an "All or None" and a "Show Only" and a "Lots Of" order condition combination; a "Minimum Fill" less than \$100M order condition; a "Minimum Fill" less than a "Lots Of" order condition combination; a "Minimum Fill" more than a "Quantity" order condition combination; a "Lots Of" not a multiply of a "Quantity" order condition combination; a "Lots Of" less than

\$10M order condition; a "Lots Of" not equal to or a multiple of a "Minimum Fill" order condition combination; a "Show Only" less than \$100M order condition; a "Show Only" greater than a "Quantity" order condition combination; a "Show Only" less than a "Minimum Fill" order condition combination; **or** a "Lots Of" not a multiple of a "Show Only" order condition combination.

Lawrence discloses displaying a bond variety list; wherein said bond variety list includes at least one of insured bonds, pre-refunded bonds, callable bonds, bank-qualified bonds, AMT bonds, escrowed bonds, taxable bonds (known) [col. 1 line 1 through col. 2 line 60]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosure of McCausland and include the above features disclosed by Lawrence, to provide a comprehensive system for verity of bonds trading.

Hughes discloses enabling the plurality of buyer dealers to specify a bond instrument issuer, a CUSIP code, a US state, an issue type, and a purpose or set of purposes; displaying range specific data fields to the plurality of buyer dealers including a coupon range having a coupon minimum and maximum, a maturity range having an earliest and latest maturity date, a bond rating range having a rating minimum and maximum, a quantity range having a quantity minimum and maximum, a yield range having a yield minimum and maximum, and a price range having a price minimum and maximum; enabling the plurality of buyer dealers to specify a minimum and maximum coupon, an earliest and latest maturity date, a minimum and maximum bond rating, a minimum and maximum quantity, a minimum and maximum yield, and a

minimum and maximum price; matching by the plurality of buyer dealers the different types of bond instruments being offered for sale; and submitting anonymously by at least one of the plurality of buyer dealers buy orders responsive to the displayed range specific data field; preventing a match under said predetermined conditions; wherein said predetermined order conditions preventing a match include; wherein a locked or crossed market can be unlocked or uncrossed by at least one of the plurality of buyer dealers or by at least one of the plurality of seller dealers entering an order with a better price than the displayed order locking or crossing the market; wherein a locked or crossed market can be unlocked or uncrossed without causing a trade to occur.

[Abstract; Figure 1; col. 9 lines 10-40; col. 16 lines 15-65; col. 17 line 37 through col. 20 line 60; col. 22 lines 6-22]. It would have been obvious at the time the invention was made to a person having ordinary skill in the art to combine the disclosure of McCausland, Lawrence, Himmelstein and include the above feature, as disclosed by Hughes, to provide a comprehensive and integrated system with active rules for processing and trading of financial instrument over the Internet for investor, and brokers in real time.

Re. Claim 73, claim is rejected with same rational as claim 72 above.

Response to Arguments

Applicant's arguments filed 06/09/2011 have been fully considered but they are not persuasive:

1. In response to applicant's argument that, the test for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference; nor is it that the claimed invention must be expressly suggested in any one or all of the references. Rather, the test is what the combined teachings of the references would have suggested to those of ordinary skill in the art. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981).
2. In response to applicant's argument that there is no teaching, suggestion, or motivation to combine the references, the examiner recognizes that obviousness may be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988), *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992), and *KSR International Co. v. Teleflex, Inc.*, 550 U.S. 398, 82 USPQ2d 1385 (2007). In this case,
3. In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208

USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

Any inquiry concerning this communication or earlier communications from the examiner should be directed to HARISH T. DASS whose telephone number is (571)272-6793. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kyle Charles can be reached on 571-272-6746. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/HARISH T DASS/
Primary Examiner, Art Unit 3695

Monday, August 15, 2011